

~~SECRET~~

The Director of Central Intelligence

Washington, D.C. 20505

STAT

National Intelligence Council

NIC #04448-87/4

4 January 1988

MEMORANDUM FOR: National Foreign Intelligence Board Representatives

FROM: Carl W. Ford, Jr.
National Intelligence Officer for East Asia

SUBJECT: SNIE 56-88: The Philippines: Problems and Prospects for the Aquino Government

1. Attached for your review are the revised draft Concept Paper and Terms of Reference for SNIE 56-88: The Philippines: Problems and Prospects for the Aquino Government. There will be a coordination meeting of Agency Representatives on Monday, 11 January 1988, at 1300 hours in Room 7E62, CIA Headquarters.

2. Please telephone your attendance intentions to [redacted] by COB Friday, 8 January 1988.

STAT
STAT

Carl Ford

Carl W. Ford, Jr.

Attachment

CL BY SIGNER
DECL OADR

~~SECRET~~

STAT

SECRET

STAT

NIC #04448-87/4
4 January 1988SUBJECT: SNIE 56-88: The Philippines: Problems and Prospects for
the Aquino Government

DISTRIBUTION:

State/INR: Marjorie Niehaus
INR/EAP, Room 8647, NS (647-4455)Mary Tracey
INR/OD, Rm 6531, StateArmy: LTC Edward Haydash, Army/ACSI
Rm 2A474, Pentagon - 694-9732NSA: [REDACTED] NSA/G9
Rm 7A166, Ft. Meade, 963-1549

STAT

[REDACTED]
NSA/Q42, Rm 9A171

STAT

Navy: Scott Slaybecker, NAVOPS/009Y
Rm 5B686 Pentagon, 697-2087Air Force Maj. Betty Price, AFIS/INAP
Rm 4B879, Pentagon, 695-5229USMC: LTC Mike O'Hara, HQMC/INTP
Rm 3135, Navy Annex, 694-3628DIA: [REDACTED]
DIA/DE-2, DIAC
373-4487

STAT

DIA: [REDACTED]
DIA/DE-2, Rm B6-828, DIAC
373-4488 - [REDACTED]

STAT

STAT

STAT

[REDACTED]
DIA/DE/NE, B7/864, DIACDIA: John J. Sloan, DIO/EA
Rm 2C238, Pentagon 695-0257Treasury Don Halstead
Room 3G46, Main TreasuryDIA: [REDACTED]
DIA/JSI-3, Rm 1C938B, Pentagon 695-7995

STAT

SECRET

STAT

30 December 1987

Concept Paper
and
Terms of Reference

SNIE 56-2-87: The Philippines:
Problems and Prospects for the Aquino Government

PROBLEM

Recent events in the Philippines--in particular the 28 August mutiny and its political repercussions--have renewed concern about the ability of the Aquino government to overcome the serious threats posed by a restive military, Communist insurgents, and traditional political opponents. President Aquino's popularity has fluctuated, and the effectiveness of her leadership has been questioned--particularly her ability to confront the country's economic, political, military, and social problems.

Although the immediate political crisis caused by the August mutiny appears to have passed, we are concerned anew about the overall prognosis for the Philippines and, in particular, about the prospects for the Aquino regime as it heads into its third year. In an Estimate drafted before Aquino came to power, we indicated that "either a Marcos or an Aquino government would have less than an even chance of effectively addressing the difficult problems confronting the Philippines." These problems remain as daunting as ever.

This SNIE will examine the current threats and vulnerabilities facing the Aquino government--in both their short- and long-term dimensions--and evaluate the Aquino government's record of confronting the threats and its prospects for overcoming them. It will provide the Intelligence Community's judgments on the following Key Questions:

1
SECRET

STAT

SECRET

KEY QUESTIONS

- What effect has the 28 August mutiny had on the short-term stability and tenure of the Aquino government?
- What are the longer term threats to the Aquino government? Have they changed over the past two years?
- What is our assessment of the Communist threat?
- What is our assessment of the Armed Forces of the Philippines today and how is our view likely to change in 1988?
- What is the outlook for future economic growth and development?
- What are the long-term trends and forces that will be critical factors in the development of the Philippines? How successful will Aquino be in coping with them?
- Why has the Aquino government not made more progress in addressing the systemic problems facing the country?
- What are the prospects for the Aquino government over the next five years?
- What are the implications for the United States?

SECRET

STAT

OUTLINE

- I. What effect has the 28 August mutiny had on the short-term stability and tenure of the Aquino government?
 - A. How has it affected Aquino's popularity, perceived leadership abilities, and vulnerability? Have the views of the Aquino government changed?
 - B. What actions has Aquino taken since 28 August to remove the immediate threat, and how substantive and successful have they been?
 - C. What effect might these short-term actions have in helping to solve the longer term problems of the Philippines?
- II. What are the longer term threats to the Aquino government? Have they changed over the past two years?
 - A. What individuals or groups seek her removal and why?
 - B. What are their capabilities and prospects if Aquino fails to neutralize them?
 - C. What grievances or complaints of her opponents must Aquino address in order to neutralize the threat they present?
 - D. What does a continuing struggle for power in Manila mean in terms of Aquino's political authority and legitimacy?
 - E. How do the results of the local elections change the equation?
- III. What is our assessment of the Communist threat?
 - A. What are the trends and dynamics of the insurgency in both urban and rural areas?

- B. Do we anticipate that the CPP/NPA will attempt to kill additional Americans over the next year? Who are the most likely targets?
 - C. Do we expect the NPA to receive substantial weapons deliveries from outside suppliers in 1988?
 - D. What are the prospects for CPP/NPA growth in military strength and political influence?
- IV. What is our assessment of the Armed Forces of the Philippines today and how is our view likely to change in 1988?
- A. What are the AFP's strengths and weaknesses?
 - B. How has the attention on coups and coup threats affected the effectiveness of the AFP?
 - C. What role does US assistance play in improving the capabilities and effectiveness of the Philippine military?
 - D. What are the prospects for the AFP improving its effectiveness in 1988?
- V. What is the outlook for future economic growth and development?
- A. What is the current Philippine economic policy and how well has it performed since our last estimate?
 - B. What factors are inhibiting investor confidence in the Philippines? How will this effect performance and growth?
 - C. What are the implications of the current GOP foreign debt burden for future economic growth and development?
 - D. How effective has the Aquino government been using assistance funds?
- VI. What are the long-term trends and forces that will be critical factors in the development of the Philippines? How successful will Aquino be in coping with them?

SECRET

STAT

- A. In light of existing unique regional identities, and a disastrous transportation and communications infrastructure, can a "national" Philippine identity be forged?
- B. Can civilian-military relations adequately be resolved?
- C. What are the long term nation building problems facing the Aquino government?
- D. What role will the Catholic Church play in resolving long-term problems in the countryside?

VII. Why has the Aquino government not made more progress in addressing the systemic problems facing the country?

- A. Have the most important problems been recognized and acknowledged?
- B. Has the Aquino government devised a plan or agenda?
- C. What bureaucratic and resource constraints exist?
- D. How does the existing political, military, and infrastructure affect the implementation of programs present and future?

VIII. What are the prospects for the Aquino government over the next year?

The next five years?

- A. What is the outlook for Aquino over the next year?
- B. What are the chances that fundamental reforms can and will be developed and implemented by 1992?
 - 1. What are the medium-term issues that may be amenable to early, but limited, progress?
 - 2. What are the key issues--e.g., the economy and military effectiveness--where substantial early advance could be made?

- C. If Aquino lasts out her term, will she leave the country better or worse off than it is now?
- D. What could the Aquino government do to alter our prognosis?

IX. What are the implications for the United States?

- A. What role does Manila expect Washington to play in solving the Philippines' problems?
- B. How important are US economic and security assistance programs?
- C. How will the bases negotiations be affected?
- D. How might official ties improve or deteriorate?
- E. How and why might popular anti-American attitudes in the Philippines intensify or weaken?